

11/6/2001

Recurring Cost Summary

Primary Res. and Single Line Bus.

Kentucky 2-Wire Voice Grade Loop

	<u>Volume Sensitive</u>			<u>Volume Insensitive</u>		
<u>Description</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>
Recurring Cost Development Reports	\$21.7827	\$2.2063	\$23.9890	\$0.0000	\$0.0000	\$0.0000
LABOR EXPENSES:						
OTHER EXPENSES:						
Subscriber Line Testing	\$0.4789	\$0.0000	\$0.4789	\$0.0000	\$0.0000	\$0.0000
NTW - Monthly Cost Per Access Line	\$0.1253	\$0.0000	\$0.1253	\$0.0000	\$0.0000	\$0.0000
Total Monthly Cost	<u>\$22.3868</u>	<u>\$2.2063</u>	<u>\$24.5932</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
Gross Receipts Tax Factor		X	<u>1.0000</u>		X	<u>1.0000</u>
Cost (Including Gross Receipts Tax)			<u>\$24.5932</u>			<u>\$0.0000</u>
Common Cost Factor		X	<u>1.0000</u>		X	<u>1.0000</u>
Monthly Economic Cost			<u>\$24.5932</u>			<u>\$0.0000</u>

Total Monthly Economic Cost: \$24.5932

			A	B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF
						In-Plant Factors (Default = 1)							
						Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardware Factor	In-Plant Investment	Supporting Equipment &/or Power Loading	Total Investment
Description	FRC	Sub FRC	Material	Inflation Factor	Adjusted Material								
ance	12C	00	\$0.0010	1.1254	\$0.0011	NA	4.8081	NA	NA	NA	\$0.0054	NA	\$0.0054
ance 24-Guage	12C4	00	\$0.0032	1.1254	\$0.0036	NA	4.8081	NA	NA	NA	\$0.0171	NA	\$0.0171
	22C	00	\$4.4315	1.1254	\$4.9874	NA	3.7866	NA	NA	NA	\$18.8855	NA	\$18.8855
	22C	01	\$19.1979	1.1254	\$21.6061	NA	NA	NA	NA	NA	\$21.6061	NA	\$21.6061
	22C4	00	\$34.0852	1.1254	\$38.3608	NA	3.7866	NA	NA	NA	\$145.2574	NA	\$145.2574
ardwired - MCEP	257C	03	\$10.3513	0.9800	\$10.1443	NA	NA	NA	NA	2.4536	\$24.8904	1.0351	\$25.7651
om. Plug-in - MCEP	257C	06	\$43.7011	0.9800	\$42.8271	NA	NA	NA	1.2339	NA	\$52.8457	1.0351	\$54.7029
ef. Plug-in - MCEP W/O Sp. Stock	257C	12	\$7.8215	0.9800	\$7.6651	NA	NA	NA	1.2339	NA	\$9.4581	1.0351	\$9.7905
ardwired - Power Only	257C	19	\$0.0001	0.9800	\$0.0001	NA	NA	NA	NA	2.4536	\$0.0001	1.0275	\$0.0001
om. Plug-in - Power Only	257C	22	\$0.0001	0.9800	\$0.0001	NA	NA	NA	1.2339	NA	\$0.0001	1.0275	\$0.0001
ef. Plug-in - Power Only W/O Sp. Stock	257C	28	\$0.0002	0.9800	\$0.0002	NA	NA	NA	1.2339	NA	\$0.0003	1.0275	\$0.0003
Hardwired - Power Only	257C	37	\$70.2842	0.9800	\$68.8785	NA	NA	NA	NA	2.4536	\$169.0034	1.0275	\$173.6534
Com. Plug-in - Power Only	257C	40	\$58.0249	0.9800	\$56.8644	NA	NA	NA	1.2339	NA	\$70.1667	1.0275	\$72.0973
Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$29.2553	0.9800	\$28.6702	NA	NA	NA	1.2339	NA	\$35.3770	1.0275	\$36.3504
	377C	05	\$4.0200	1.0338	\$4.1558	NA	1.4783	NA	NA	NA	\$6.1436	1.1447	\$7.0324
	45C	00	\$7.7525	1.1037	\$8.5561	NA	6.1313	NA	NA	NA	\$52.4596	NA	\$52.4596
	45C	01	\$48.2847	1.1037	\$53.2898	NA	NA	NA	NA	NA	\$53.2898	NA	\$53.2898
	45C4	00	\$51.0828	1.1037	\$56.3780	NA	6.1313	NA	NA	NA	\$345.6695	NA	\$345.6695
	52C	00	\$0.2180	1.1325	\$0.2469	NA	4.8689	NA	NA	NA	\$1.2019	NA	\$1.2019
	52C4	00	\$0.0245	1.1325	\$0.0278	NA	4.8689	NA	NA	NA	\$0.1351	NA	\$0.1351
	5C	00	\$4.5416	1.1325	\$5.1432	NA	3.4606	NA	NA	NA	\$17.7988	NA	\$17.7988
	5C4	00	\$6.2854	1.1325	\$7.1181	NA	3.4606	NA	NA	NA	\$24.6329	NA	\$24.6329
	812C	00	\$0.0000	1.0235	\$0.0000	NA	2.5943	NA	NA	NA	\$0.0000	NA	\$0.0000
	822C	00	\$12.9588	1.0235	\$13.2629	NA	2.2355	NA	NA	NA	\$29.6488	NA	\$29.6488
	845C	00	\$14.3793	1.0578	\$15.2105	NA	3.4301	NA	NA	NA	\$52.1728	NA	\$52.1728
	85C	00	\$2.2060	0.9933	\$2.1913	NA	2.6						

Kentucky
2-Wire Voice Grade Loop

A=Prev Page B C=AxB D E=AxD F G=AxF H I=AxH
Col G

Description	FRC	Sub	Investment	Land	Land	Building	Building	Pole	Pole	Conduit	Conduit	
		FRC		Factor	Investment	Factor	Investment	Factor	Investment	Factor	Investment	
Aerial Ca - Metal - Building Entrance	12C	00	\$0.0054	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	
Aerial Ca - Metal - Building Entrance 24-Guage	12C4	00	\$0.0171	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	
Aerial Ca - Metal	22C	00	\$18.8855	NA	\$0.0000	NA	\$0.0000	0.3604	\$6.8054	NA	\$0.0000	
Aerial Ca - Metal - Drop	22C	01	\$21.6061	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	
Aerial Ca - Metal 24-Guage	22C4	00	\$145.2574	NA	\$0.0000	NA	\$0.0000	0.3604	\$52.3438	NA	\$0.0000	
Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP	257C	03	\$25.7651	0.0101	\$0.2594	0.1588	\$4.0922	NA	\$0.0000	NA	\$0.0000	
Digitl Circ - Pair Gain - C.O. - Com. Plug-in - MCEP	257C	06	\$54.7029	0.0101	\$0.5508	0.1588	\$8.6884	NA	\$0.0000	NA	\$0.0000	
Digitl Circ - Pair Gain - C.O. - Def. Plug-in - MCEP W/O Sp. Stock	257C	12	\$9.7905	0.0101	\$0.0986	0.1588	\$1.5550	NA	\$0.0000	NA	\$0.0000	
Digitl Circ - Pair Gain - Prem - Hardwired - Power Only	257C	19	\$0.0001	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	
Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only	257C	22	\$0.0001	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	
Digitl Circ - Pair Gain - Prem - Def. Plug-in - Power Only W/O Sp. Stock	257C	28	\$0.0003	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	
Digitl Circ - Pair Gain - Remote - Hardwired - Power Only	257C	37	\$173.6534	0.0101	\$1.7486	0.1588	\$27.5811	NA	\$0.0000	NA	\$0.0000	
Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only	257C	40	\$72.0973	0.0101	\$0.7260	0.1588	\$11.4511	NA	\$0.0000	NA	\$0.0000	
Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$36.3504	0.0101	\$0.3660	0.1588	\$5.7735	NA	\$0.0000	NA	\$0.0000	
Digital Elec Switch - MDF	377C	05	\$7.0324	0.0101	\$0.0708	0.1588	\$1.1169	NA	\$0.0000	NA	\$0.0000	
Buried Ca - Metal	45C	00	\$52.4596	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	
Buried Ca - Metal - Drop	45C	01	\$53.2898	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	
Buried Ca - Metal 24-Guage	45C4	00	\$345.6695	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	
Intrbld Network - Metal	52C	00	\$1.2019	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	
Intrbld Network - Metal 24-Guage	52C4	00	\$0.1351	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	
Underground Ca - Metal	5C	00	\$17.7988	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8955	\$15.9389	
Underground Ca - Metal 24-Guage	5C4	00	\$24.6329	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8955	\$22.0588	
Aerial Ca - Fiber - Building Entrance	812C	00	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	
Aerial Ca - Fiber	822C	00	\$29.6488	NA	\$0.0000	NA	\$0.0000	0.3604	\$10.6840	NA	\$0.0000	
Buried Ca - Fiber	845C	00	\$52.1728	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	
Underground Ca - Fiber	85C	00	\$5.8680	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8955	\$5.2548	
					FRC 20C:	\$3.8203	FRC 10C:	\$60.2583	FRC 1C:	\$69.8332	FRC 4C:	\$43.2525

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

Kentucky
2-Wire Voice Grade Loop

<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<div style="display: flex; justify-content: space-between; font-size: small;"> A B=AxFactor C=AxFactor D=AxFactor E=AxFactor </div>					<div style="font-size: small;">I=(B+C+D +E+F)</div>
			<u>Depreciation & Factor</u>	<u>Cost of Money & Factor</u>	<u>Income Tax & Factor</u>	<u>Plant Specific Expense & Factor</u>	<u>Ad Valorem Expense & Factor</u>	<u>Direct Cost</u>
Buildings - COE	10C	\$60.2583	\$1.2632 0.0210	\$5.3818 0.0893	\$2.5529 0.0424	\$2.4945 0.0414	\$0.3857 0.0064	\$12.0782
Aerial Ca - Metal - Building Entrance	12C	\$0.0225	\$0.0017 0.0775	\$0.0015 0.0669	\$0.0007 0.0317	\$0.0006 0.0273	\$0.0001 0.0064	\$0.0047
Poles	1C	\$69.8332	\$3.0625 0.0439	\$5.0482 0.0723	\$2.3947 0.0343	\$0.9850 0.0141	\$0.4470 0.0064	\$11.9374
Land - COE	20C	\$3.8203	\$0.0000 0.0000	\$0.4297 0.1125	\$0.2038 0.0534	\$0.0000 0.0000	\$0.0245 0.0064	\$0.6580
Aerial Ca - Metal	22C	\$164.1428	\$12.7185 0.0775	\$10.9745 0.0669	\$5.2059 0.0317	\$4.4817 0.0273	\$1.0508 0.0064	\$34.4314
Aerial Ca - Metal - Drop	22C	\$21.6061	\$1.6741 0.0775	\$1.4446 0.0669	\$0.6853 0.0317	\$0.5899 0.0273	\$0.1383 0.0064	\$4.5322
Digitl Circ - Pair Gain	257C	\$372.3602	\$41.8098 0.1123	\$18.2757 0.0491	\$8.6693 0.0233	\$4.7714 0.0128	\$2.3837 0.0064	\$75.9099
Digital Elec Switch	377C	\$7.0324	\$0.6934 0.0986	\$0.3611 0.0513	\$0.1713 0.0244	\$0.1647 0.0234	\$0.0450 0.0064	\$1.4356
Buried Ca - Metal	45C	\$398.1292	\$28.6201 0.0719	\$26.8705 0.0675	\$12.7464 0.0320	\$9.7421 0.0245	\$2.5486 0.0064	\$80.5277
Buried Ca - Metal - Drop	45C	\$53.2898	\$3.8308 0.0719	\$3.5966 0.0675	\$1.7061 0.0320	\$1.3040 0.0245	\$0.3411 0.0064	\$10.7787
Conduit Systems	4C	\$43.2525	\$0.5113	\$3.5602	\$1.6888	\$0.0379	\$0.2769	\$6.0751

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

Kentucky
2-Wire Voice Grade Loop

		A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Depreciation & Factor</u>	<u>Cost of Money & Factor</u>	<u>Income Tax & Factor</u>	<u>Plant Specific Expense & Factor</u>	<u>Ad Valorem Expense & Factor</u>	<u>Direct Cost</u>
			0.0118	0.0823	0.0390	0.0009	0.0064	
Intrbld Network - Metal	52C	\$1.3371	\$0.0774	\$0.0890	\$0.0422	\$0.0135	\$0.0086	\$0.2306
			0.0579	0.0665	0.0316	0.0101	0.0064	
Underground Ca - Metal	5C	\$42.4318	\$3.3341	\$2.8345	\$1.3446	\$0.5497	\$0.2716	\$8.3345
			0.0786	0.0668	0.0317	0.0130	0.0064	
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0600	0.0665	0.0316	0.0042	0.0064	
Aerial Ca - Fiber	822C	\$29.6488	\$1.7780	\$1.9730	\$0.9359	\$0.1258	\$0.1898	\$5.0026
			0.0600	0.0665	0.0316	0.0042	0.0064	
Buried Ca - Fiber	845C	\$52.1728	\$2.8819	\$3.5088	\$1.6645	\$0.1076	\$0.3340	\$8.4967
			0.0552	0.0673	0.0319	0.0021	0.0064	
Underground Ca - Fiber	85C	\$5.8680	\$0.3362	\$0.3885	\$0.1843	\$0.0121	\$0.0376	\$0.9586
			0.0573	0.0662	0.0314	0.0021	0.0064	
		<u>\$1,325.2057</u>						<u>\$261.3918</u>
Monthly Cost(Total / 12):								\$21.7827

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Kentucky
2-Wire Voice Grade Loop**

	A	B=Prev Rpt Col I	C	D=AxC	E=B+D	
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Buildings - COE	10C	\$60.2583	\$12.0782	0.0001	\$0.0064	\$12.0846
Aerial Ca - Metal - Building Entrance	12C	\$0.0225	\$0.0047	0.0277	\$0.0006	\$0.0053
Poles	1C	\$69.8332	\$11.9374	0.0137	\$0.9589	\$12.8963
Land - COE	20C	\$3.8203	\$0.6580	0.0000	\$0.0000	\$0.6580
Aerial Ca - Metal	22C	\$164.1428	\$34.4314	0.0277	\$4.5435	\$38.9750
Aerial Ca - Metal - Drop	22C	\$21.6061	\$4.5322	0.0277	\$0.5981	\$5.1303
Digtl Circ - Pair Gain	257C	\$372.3602	\$75.9099	0.0171	\$6.3730	\$82.2828
Digital Elec Switch	377C	\$7.0324	\$1.4356	0.0167	\$0.1174	\$1.5529
Buried Ca - Metal	45C	\$398.1292	\$80.5277	0.0246	\$9.7765	\$90.3042
Buried Ca - Metal - Drop	45C	\$53.2898	\$10.7787	0.0246	\$1.3086	\$12.0873
Conduit Systems	4C	\$43.2525	\$6.0751	0.0098	\$0.4241	\$6.4992

**Kentucky
2-Wire Voice Grade Loop**

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Intrbld Network - Metal	52C	\$1.3371	\$0.2306	0.0135	\$0.0180	\$0.2486
Underground Ca - Metal	5C	\$42.4318	\$8.3345	0.0191	\$0.8098	\$9.1443
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	\$0.0000	0.0219	\$0.0000	\$0.0000
Aerial Ca - Fiber	822C	\$29.6488	\$5.0026	0.0219	\$0.6479	\$5.6504
Buried Ca - Fiber	845C	\$52.1728	\$8.4967	0.0151	\$0.7896	\$9.2863
Underground Ca - Fiber	85C	\$5.8680	\$0.9586	0.0177	\$0.1036	\$1.0622
		\$1,325.2057	\$261.3918		\$26.4759	\$287.8677
Monthly Costs (Total / 12):			\$21.7827		\$2.2063	\$23.9890

11/6/2001

Recurring Cost Summary

Primary Res. and Single Line Bus.

Kentucky Exchange Port - 2-Wire Line Port

<u>Description</u>	<u>Volume Sensitive</u>			<u>Volume Insensitive</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>
Recurring Cost Development Reports	\$2.0004	\$0.1406	\$2.1410	\$0.1232	\$0.0000	\$0.1232
LABOR EXPENSES:						
OTHER EXPENSES:						
Total Monthly Cost	<u>\$2.0004</u>	<u>\$0.1406</u>	<u>\$2.1410</u>	<u>\$0.1232</u>	<u>\$0.0000</u>	<u>\$0.1232</u>
Gross Receipts Tax Factor			X 1.0000			X 1.0000
Cost (Including Gross Receipts Tax)			<u>\$2.1410</u>			<u>\$0.1232</u>
Common Cost Factor			X 1.0000			X 1.0000
Monthly Economic Cost			<u>\$2.1410</u>			<u>\$0.1232</u>

Total Monthly Economic Cost: \$2.2642

11/6/2001

Investment Development - Volume Sensitive

Primary Res. and Single Line Bus.

Kentucky
Exchange Port - 2-Wire Line Port

		A	B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF	
		In-Plant Factors (Default = 1)										Supporting Equipment &/or Power Loading	Total Investment
Description	FRC	Sub FRC	Material	Inflation Factor	Adjusted Material	Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardwire Factor	In-Plant Investment		
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$71.4379	1.0338	\$73.8503	NA	NA	1.1946	NA	NA	\$88.2230	1.1447	\$100.9851
Digital Elec Switch - MDF	377C	05	\$0.0000	1.0338	\$0.0000	NA	1.4783	NA	NA	NA	\$0.0000	1.1447	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$0.0000	NA	\$0.0000	NA	NA	NA	NA	NA	\$0.0000	NA	\$0.0000
											\$88.2230		\$100.9851

11/6/2001

Land, Building, Pole, and Conduit Investment Development - Volume Sensitive

Primary Res. and Single Line Bus.

Kentucky
Exchange Port - 2-Wire Line Port

A=Prev Page
Col G

B

C=AxB

D

E=AxD

F

G=AxF

H

I=AxH

<u>Description</u>	<u>FRC</u>	<u>Sub FRC</u>	<u>Investment</u>	<u>Land Factor</u>	<u>Land Investment</u>	<u>Building Factor</u>	<u>Building Investment</u>	<u>Pole Factor</u>	<u>Pole Investment</u>	<u>Conduit Factor</u>	<u>Conduit Investment</u>
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$100.9851	0.0101	\$1.0169	0.1588	\$16.0393	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	0.0101	\$0.0000	0.1588	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
				FRC 20C:	<u>\$1.0169</u>	FRC 10C:	<u>\$16.0393</u>	FRC 1C:	<u>\$0.0000</u>	FRC 4C:	<u>\$0.0000</u>

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

Kentucky
Exchange Port - 2-Wire Line Port

		A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
						Plant		
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Depreciation & Factor</u>	<u>Cost of Money & Factor</u>	<u>Income Tax & Factor</u>	<u>Specific Expense & Factor</u>	<u>Ad Valorem Expense & Factor</u>	<u>Direct Cost</u>
Buildings - COE	10C	\$16.0393	\$0.3362	\$1.4325	\$0.6795	\$0.6640	\$0.1027	\$3.2149
			0.0210	0.0893	0.0424	0.0414	0.0064	
Poles	1C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0439	0.0723	0.0343	0.0141	0.0064	
Land - COE	20C	\$1.0169	\$0.0000	\$0.1144	\$0.0543	\$0.0000	\$0.0065	\$0.1751
			0.0000	0.1125	0.0534	0.0000	0.0064	
Digital Elec Switch	377C	\$100.9851	\$9.9580	\$5.1849	\$2.4595	\$2.3657	\$0.6465	\$20.6146
			0.0986	0.0513	0.0244	0.0234	0.0064	
Conduit Systems	4C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0118	0.0823	0.0390	0.0009	0.0064	
Intangibles - Network Switch Software RTU	560C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.3333	0.0525	0.0249	NA	0.0064	
		<u>\$118.0413</u>						<u>\$24.0047</u>
Monthly Cost(Total / 12):								\$2.0004

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Kentucky
Exchange Port - 2-Wire Line Port**

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Buildings - COE	10C	\$16.0393	\$3.2149	0.0001	\$0.0017	\$3.2166
Poles	1C	\$0.0000	\$0.0000	0.0137	\$0.0000	\$0.0000
Land - COE	20C	\$1.0169	\$0.1751	0.0000	\$0.0000	\$0.1751
Digital Elec Switch	377C	\$100.9851	\$20.6146	0.0167	\$1.6852	\$22.2998
Conduit Systems	4C	\$0.0000	\$0.0000	0.0098	\$0.0000	\$0.0000
Intangibles - Network Switch Software RTU	560C	\$0.0000	\$0.0000	NA	\$0.0000	\$0.0000
		\$118.0413	\$24.0047		\$1.6869	\$25.6916
Monthly Costs (Total / 12):			\$2.0004		\$0.1406	\$2.1410

11/6/2001

Investment Development - Volume Insensitive

Primary Res. and Single Line Bus.

Kentucky
Exchange Port - 2-Wire Line Port

		A	B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF	
		In-Plant Factors (Default = 1)										Supporting Equipment &/or Power Loading	Total Investment
Description	FRC	Sub FRC	Material	Inflation Factor	Adjusted Material	Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardwire Factor	In-Plant Investment		
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$0.0000	1.0338	\$0.0000	NA	NA	1.1946	NA	NA	\$0.0000	1.1447	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	1.0338	\$0.0000	NA	1.4783	NA	NA	NA	\$0.0000	1.1447	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$3.5440	NA	\$3.5440	NA	NA	NA	NA	NA	\$3.5440	NA	\$3.5440
											\$3.5440		\$3.5440

11/6/2001

Land, Building, Pole, and Conduit Investment Development - Volume Insensitive

Primary Res. and Single Line Bus.

**Kentucky
Exchange Port - 2-Wire Line Port**

A=Prev Page
Col G

B

C=AxB

D

E=AxD

F

G=AxF

H

I=AxH

<u>Description</u>	<u>FRC</u>	<u>Sub FRC</u>	<u>Investment</u>	<u>Land Factor</u>	<u>Land Investment</u>	<u>Building Factor</u>	<u>Building Investment</u>	<u>Pole Factor</u>	<u>Pole Investment</u>	<u>Conduit Factor</u>	<u>Conduit Investment</u>
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$0.0000	0.0101	\$0.0000	0.1588	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	0.0101	\$0.0000	0.1588	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$3.5440	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
				FRC 20C:	<u>\$0.0000</u>	FRC 10C:	<u>\$0.0000</u>	FRC 1C:	<u>\$0.0000</u>	FRC 4C:	<u>\$0.0000</u>

11/6/2001

Recurring Direct Cost Development - Volume Insensitive

Primary Res. and Single Line Bus.

Kentucky
Exchange Port - 2-Wire Line Port

		A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D+E+F)
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Depreciation & Factor</u>	<u>Cost of Money & Factor</u>	<u>Income Tax & Factor</u>	<u>Plant Specific Expense & Factor</u>	<u>Ad Valorem Expense & Factor</u>	<u>Direct Cost</u>
Land - COE	20C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0000	0.1125	0.0534	0.0000	0.0064	
Buildings - COE	10C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0210	0.0893	0.0424	0.0414	0.0064	
Poles	1C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0439	0.0723	0.0343	0.0141	0.0064	
Conduit Systems	4C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0118	0.0823	0.0390	0.0009	0.0064	
Digital Elec Switch	377C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0986	0.0513	0.0244	0.0234	0.0064	
Intangibles - Network Switch Software RTU	560C	\$3.5440	\$1.1813	\$0.1860	\$0.0882	\$0.0000	\$0.0227	\$1.4783
			0.3333	0.0525	0.0249	NA	0.0064	
		<u>\$3.5440</u>						<u>\$1.4783</u>
Monthly Cost(Total / 12):								\$0.1232

11/6/2001

Recurring Cost Development - Volume Insensitive

Primary Res. and Single Line Bus.

**Kentucky
Exchange Port - 2-Wire Line Port**

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Land - COE	20C	\$0.0000	\$0.0000	0.0000	\$0.0000	\$0.0000
Buildings - COE	10C	\$0.0000	\$0.0000	0.0001	\$0.0000	\$0.0000
Poles	1C	\$0.0000	\$0.0000	0.0137	\$0.0000	\$0.0000
Conduit Systems	4C	\$0.0000	\$0.0000	0.0098	\$0.0000	\$0.0000
Digital Elec Switch	377C	\$0.0000	\$0.0000	0.0167	\$0.0000	\$0.0000
Intangibles - Network Switch Software RTU	560C	\$3.5440	\$1.4783	NA	\$0.0000	\$1.4783
		\$3.5440	\$1.4783		\$0.0000	\$1.4783
Monthly Costs (Total / 12):			\$0.1232		\$0.0000	\$0.1232

11/6/2001

Recurring Cost Summary

Primary Res. and Single Line Bus.

Louisiana 2-Wire Voice Grade Loop

<u>Description</u>	<u>Volume Sensitive</u>			<u>Volume Insensitive</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>
Recurring Cost Development Reports	\$20.4247	\$1.9531	\$22.3778	\$0.0000	\$0.0000	\$0.0000
LABOR EXPENSES:						
OTHER EXPENSES:						
Subscriber Line Testing	\$0.2412	\$0.0000	\$0.2412	\$0.0000	\$0.0000	\$0.0000
Total Monthly Cost Per Access Line - NTW	<u>\$0.0855</u>	<u>\$0.0000</u>	<u>\$0.0855</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
Total Monthly Cost	<u>\$20.7515</u>	<u>\$1.9531</u>	<u>\$22.7046</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
Gross Receipts Tax Factor		X	<u>1.0000</u>		X	<u>1.0000</u>
Cost (Including Gross Receipts Tax)			<u>\$22.7046</u>			<u>\$0.0000</u>
Common Cost Factor		X	<u>1.0000</u>		X	<u>1.0000</u>
Monthly Economic Cost			<u>\$22.7046</u>			<u>\$0.0000</u>

Total Monthly Economic Cost: \$22.7046

Louisiana
2-Wire Voice Grade Loop

Description	A		B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF	
	FRC	Sub FRC	Material	Inflation Factor	Adjusted Material	In-Plant Factors (Default = 1)					In-Plant Investment	Supporting Equipment &/or Power Loading	Total Investment
						Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardwire Factor			
Aerial Ca - Metal - Building Entrance	12C	00	\$0.0060	1.1254	\$0.0067	NA	4.2733	NA	NA	NA	\$0.0287	NA	\$0.0287
Aerial Ca - Metal - Building Entrance 24-Guage	12C4	00	\$0.0068	1.1254	\$0.0077	NA	4.2733	NA	NA	NA	\$0.0329	NA	\$0.0329
Aerial Ca - Metal	22C	00	\$4.4440	1.1254	\$5.0015	NA	4.3033	NA	NA	NA	\$21.5230	NA	\$21.5230
Aerial Ca - Metal - Drop	22C	01	\$16.6593	1.1254	\$18.7490	NA	NA	NA	NA	NA	\$18.7490	NA	\$18.7490
Aerial Ca - Metal 24-Guage	22C4	00	\$26.5844	1.1254	\$29.9192	NA	4.3033	NA	NA	NA	\$128.7525	NA	\$128.7525
Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP	257C	03	\$7.2327	0.9800	\$7.0880	NA	NA	NA	NA	2.7169	\$19.2572	1.0238	\$19.7148
Digitl Circ - Pair Gain - C.O. - Com. Plug-in - MCEP	257C	06	\$29.8427	0.9800	\$29.2459	NA	NA	NA	1.1864	NA	\$34.6977	1.0238	\$35.5221
Digitl Circ - Pair Gain - C.O. - Def. Plug-in - MCEP W/O Sp. Stock	257C	12	\$6.7555	0.9800	\$6.6204	NA	NA	NA	1.1864	NA	\$7.8545	1.0238	\$8.0412
Digitl Circ - Pair Gain - Prem - Hardwired - Power Only	257C	19	\$0.0056	0.9800	\$0.0055	NA	NA	NA	NA	2.7169	\$0.0149	1.0230	\$0.0152
Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only	257C	22	\$0.0109	0.9800	\$0.0107	NA	NA	NA	1.1864	NA	\$0.0127	1.0230	\$0.0130
Digitl Circ - Pair Gain - Prem - Def. Plug-in - Power Only W/O Sp. Stock	257C	28	\$0.0182	0.9800	\$0.0178	NA	NA	NA	1.1864	NA	\$0.0211	1.0230	\$0.0216
Digitl Circ - Pair Gain - Remote - Hardwired - Power Only	257C	37	\$48.3090	0.9800	\$47.3428	NA	NA	NA	NA	2.7169	\$128.6243	1.0230	\$131.5886
Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only	257C	40	\$38.7472	0.9800	\$37.9723	NA	NA	NA	1.1864	NA	\$45.0508	1.0230	\$46.0891
Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$28.4343	0.9800	\$27.8656	NA	NA	NA	1.1864	NA	\$33.0602	1.0230	\$33.8221
Digital Elec Switch - MDF	377C	05	\$3.9714	1.0338	\$4.1055	NA	1.3822	NA	NA	NA	\$5.6744	1.1099	\$6.2978
Buried Ca - Metal	45C	00	\$8.0672	1.1037	\$8.9035	NA	6.7271	NA	NA	NA	\$59.8941	NA	\$59.8941
Buried Ca - Metal - Drop	45C	01	\$43.6530	1.1037	\$48.1779	NA	NA	NA	NA	NA	\$48.1779	NA	\$48.1779
Buried Ca - Metal 24-Guage	45C4	00	\$40.8970	1.1037	\$45.1363	NA	6.7271	NA	NA	NA	\$303.6342	NA	\$303.6342
Intrbld Network - Metal	52C	00	\$0.6024	1.1325	\$0.6822	NA	5.8269	NA	NA	NA	\$3.9751	NA	\$3.9751
Intrbld Network - Metal 24-Guage	52C4	00	\$0.0634	1.1325	\$0.0718	NA	5.8269	NA	NA	NA	\$0.4182	NA	\$0.4182
Underground Ca - Metal	5C	00	\$6.9848	1.1325	\$7.9101	NA	3.9456	NA	NA	NA	\$31.2106	NA	\$31.2106
Underground Ca - Metal 24-Guage	5C4	00	\$7.5265	1.1325	\$8.5236	NA	3.9456	NA	NA	NA	\$33.6313	NA	\$33.6313
Aerial Ca - Fiber - Building Entrance	812C	00	\$0.0000	1.0235	\$0.0000	NA	6.6621	NA	NA	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Fiber	822C	00	\$8.5343	1.0235	\$8.7345	NA	2.3529	NA	NA	NA	\$20.5518	NA	\$20.5518
Buried Ca - Fiber	845C	00	\$9.4628	1.0578	\$10.0098	NA	4.2427	NA	NA	NA	\$42.4684	NA	\$42.4684
Underground Ca - Fiber	85C	00	\$2.0342	0.9933	\$2.0207	NA	2.3212	NA	NA	NA	\$4.6903	NA	\$4.6903
											\$992.0059		\$998.8634

Louisiana
2-Wire Voice Grade Loop

	A=Prev Page Col G		B	C=AxB	D	E=AxD	F	G=AxF	H	I=AxH	
Description	FRC	Sub FRC	Investment	Land Factor	Land Investment	Building Factor	Building Investment	Pole Factor	Pole Investment	Conduit Factor	Conduit Investment
Aerial Ca - Metal - Building Entrance	12C	00	\$0.0287	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal - Building Entrance 24-Guage	12C4	00	\$0.0329	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal	22C	00	\$21.5230	NA	\$0.0000	NA	\$0.0000	0.3175	\$6.8337	NA	\$0.0000
Aerial Ca - Metal - Drop	22C	01	\$18.7490	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal 24-Guage	22C4	00	\$128.7525	NA	\$0.0000	NA	\$0.0000	0.3175	\$40.8799	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP	257C	03	\$19.7148	0.0103	\$0.2040	0.1766	\$3.4812	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Com. Plug-in - MCEP	257C	06	\$35.5221	0.0103	\$0.3675	0.1766	\$6.2724	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Def. Plug-in - MCEP W/O Sp. Stock	257C	12	\$8.0412	0.0103	\$0.0832	0.1766	\$1.4199	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Hardwired - Power Only	257C	19	\$0.0152	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only	257C	22	\$0.0130	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Def. Plug-in - Power Only W/O Sp. Stock	257C	28	\$0.0216	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Hardwired - Power Only	257C	37	\$131.5886	0.0103	\$1.3615	0.1766	\$23.2355	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only	257C	40	\$46.0891	0.0103	\$0.4769	0.1766	\$8.1383	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$33.8221	0.0103	\$0.3499	0.1766	\$5.9722	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$6.2978	0.0103	\$0.0652	0.1766	\$1.1121	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal	45C	00	\$59.8941	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal - Drop	45C	01	\$48.1779	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal 24-Guage	45C4	00	\$303.6342	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intrblld Network - Metal	52C	00	\$3.9751	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intrblld Network - Metal 24-Guage	52C4	00	\$0.4182	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Underground Ca - Metal	5C	00	\$31.2106	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.9043	\$28.2229
Underground Ca - Metal 24-Guage	5C4	00	\$33.6313	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.9043	\$30.4119
Aerial Ca - Fiber - Building Entrance	812C	00	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Fiber	822C	00	\$20.5518	NA	\$0.0000	NA	\$0.0000	0.3175	\$6.5254	NA	\$0.0000
Buried Ca - Fiber	845C	00	\$42.4684	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Underground Ca - Fiber	85C	00	\$4.6903	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.9043	\$4.2413
				FRC 20C:	\$2.9081	FRC 10C:	\$49.6315	FRC 1C:	\$54.2390	FRC 4C:	\$62.8761

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

Louisiana
2-Wire Voice Grade Loop

		A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Depreciation & Factor</u>	<u>Cost of Money & Factor</u>	<u>Income Tax & Factor</u>	<u>Plant Specific Expense & Factor</u>	<u>Ad Valorem Expense & Factor</u>	<u>Direct Cost</u>
Buildings - COE	10C	\$49.6315	\$1.0404 0.0210	\$4.4327 0.0893	\$2.1027 0.0424	\$2.6844 0.0541	\$0.6793 0.0137	\$10.9396
Aerial Ca - Metal - Building Entrance	12C	\$0.0616	\$0.0048 0.0775	\$0.0041 0.0669	\$0.0020 0.0317	\$0.0022 0.0358	\$0.0008 0.0137	\$0.0139
Poles	1C	\$54.2390	\$2.3786 0.0439	\$3.9209 0.0723	\$1.8599 0.0343	\$0.9819 0.0181	\$0.7424 0.0137	\$9.8838
Land - COE	20C	\$2.9081	\$0.0000 0.0000	\$0.3271 0.1125	\$0.1552 0.0534	\$0.0000 0.0000	\$0.0398 0.0137	\$0.5221
Aerial Ca - Metal	22C	\$150.2756	\$11.6440 0.0775	\$10.0474 0.0669	\$4.7661 0.0317	\$5.3758 0.0358	\$2.0569 0.0137	\$33.8901
Aerial Ca - Metal - Drop	22C	\$18.7490	\$1.4528 0.0775	\$1.2536 0.0669	\$0.5946 0.0317	\$0.6707 0.0358	\$0.2566 0.0137	\$4.2283
Digtl Circ - Pair Gain	257C	\$274.8275	\$30.8585 0.1123	\$13.4887 0.0491	\$6.3986 0.0233	\$5.1555 0.0188	\$3.7617 0.0137	\$59.6631
Digital Elec Switch	377C	\$6.2978	\$0.6210 0.0986	\$0.3234 0.0513	\$0.1534 0.0244	\$0.1650 0.0262	\$0.0862 0.0137	\$1.3489
Buried Ca - Metal	45C	\$363.5283	\$26.1327 0.0719	\$24.5352 0.0675	\$11.6386 0.0320	\$11.7427 0.0323	\$4.9759 0.0137	\$79.0251
Buried Ca - Metal - Drop	45C	\$48.1779	\$3.4633 0.0719	\$3.2516 0.0675	\$1.5425 0.0320	\$1.5562 0.0323	\$0.6594 0.0137	\$10.4731
Conduit Systems	4C	\$62.8761	\$0.7432	\$5.1755	\$2.4551	\$0.1418	\$0.8606	\$9.3762

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

Louisiana
2-Wire Voice Grade Loop

		A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
						Plant		
						Specific	Ad Valorem	
						Expense	Expense	Direct
						& Factor	& Factor	Cost
Description	FRC	Investment	Depreciation & Factor	Cost of Money & Factor	Income Tax & Factor	& Factor		
Intrblid Network - Metal	52C	\$4.3933	0.0118 \$0.2542	0.0823 \$0.2924	0.0390 \$0.1387	0.0023 \$0.0015	0.0137 \$0.0601	\$0.7469
Underground Ca - Metal	5C	\$64.8419	0.0579 \$5.0949	0.0665 \$4.3316	0.0316 \$2.0547	0.0003 \$0.9604	0.0137 \$0.8875	\$13.3292
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	0.0786 \$0.0000	0.0668 \$0.0000	0.0317 \$0.0000	0.0148 \$0.0000	0.0137 \$0.0000	\$0.0000
Aerial Ca - Fiber	822C	\$20.5518	0.0600 \$1.2324	0.0665 \$1.3677	0.0316 \$0.6488	0.0038 \$0.0782	0.0137 \$0.2813	\$3.6084
Buried Ca - Fiber	845C	\$42.4684	0.0600 \$2.3458	0.0665 \$2.8562	0.0316 \$1.3549	0.0038 \$0.1053	0.0137 \$0.5813	\$7.2435
Underground Ca - Fiber	85C	\$4.6903	0.0552 \$0.2688	0.0673 \$0.3105	0.0319 \$0.1473	0.0025 \$0.0140	0.0137 \$0.0642	\$0.8048
			0.0573	0.0662	0.0314	0.0030	0.0137	
		<u>\$1,168.5181</u>						<u>\$245.0970</u>
Monthly Cost(Total / 12):								\$20.4247

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Louisiana
2-Wire Voice Grade Loop**

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Buildings - COE	10C	\$49.6315	\$10.9396	0.0001	\$0.0053	\$10.9449
Aerial Ca - Metal - Building Entrance	12C	\$0.0616	\$0.0139	0.0277	\$0.0017	\$0.0156
Poles	1C	\$54.2390	\$9.8838	0.0137	\$0.7448	\$10.6286
Land - COE	20C	\$2.9081	\$0.5221	0.0000	\$0.0000	\$0.5221
Aerial Ca - Metal	22C	\$150.2756	\$33.8901	0.0277	\$4.1597	\$38.0498
Aerial Ca - Metal - Drop	22C	\$18.7490	\$4.2283	0.0277	\$0.5190	\$4.7473
Digtl Circ - Pair Gain	257C	\$274.8275	\$59.6631	0.0171	\$4.7037	\$64.3667
Digital Elec Switch	377C	\$6.2978	\$1.3489	0.0167	\$0.1051	\$1.4540
Buried Ca - Metal	45C	\$363.5283	\$79.0251	0.0246	\$8.9268	\$87.9520
Buried Ca - Metal - Drop	45C	\$48.1779	\$10.4731	0.0246	\$1.1831	\$11.6562
Conduit Systems	4C	\$62.8761	\$9.3762	0.0098	\$0.6165	\$9.9927

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Louisiana
2-Wire Voice Grade Loop**

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Intrbld Network - Metal	52C	\$4.3933	\$0.7469	0.0135	\$0.0592	\$0.8061
Underground Ca - Metal	5C	\$64.8419	\$13.3292	0.0191	\$1.2375	\$14.5667
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	\$0.0000	0.0219	\$0.0000	\$0.0000
Aerial Ca - Fiber	822C	\$20.5518	\$3.6084	0.0219	\$0.4491	\$4.0574
Buried Ca - Fiber	845C	\$42.4684	\$7.2435	0.0151	\$0.6427	\$7.8862
Underground Ca - Fiber	85C	\$4.6903	\$0.8048	0.0177	\$0.0828	\$0.8875
		\$1,168.5181	\$245.0970		\$23.4369	\$268.5339
Monthly Costs (Total / 12):			\$20.4247		\$1.9531	\$22.3778

11/6/2001

Recurring Cost Summary

Primary Res. and Single Line Bus.

Louisiana Exchange Port - 2-Wire Line Port

<u>Description</u>	<u>Volume Sensitive</u>			<u>Volume Insensitive</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>
Recurring Cost Development Reports	\$1.4951	\$0.0980	\$1.5931	\$0.0943	\$0.0000	\$0.0943
LABOR EXPENSES:						
OTHER EXPENSES:						
Total Monthly Cost	<u>\$1.4951</u>	<u>\$0.0980</u>	<u>\$1.5931</u>	<u>\$0.0943</u>	<u>\$0.0000</u>	<u>\$0.0943</u>
Gross Receipts Tax Factor			X 1.0000			X 1.0000
Cost (Including Gross Receipts Tax)			<u>\$1.5931</u>			<u>\$0.0943</u>
Common Cost Factor			X 1.0000			X 1.0000
Monthly Economic Cost			<u>\$1.5931</u>			<u>\$0.0943</u>

Total Monthly Economic Cost: \$1.6873

11/6/2001

Investment Development - Volume Sensitive

Primary Res. and Single Line Bus.

Louisiana
Exchange Port - 2-Wire Line Port

		A	B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF	
		In-Plant Factors (Default = 1)									Supporting Equipment &/or Power Loading	Total Investment	
Description	FRC	Sub FRC	Material	Inflation Factor	Adjusted Material	Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardwire Factor			In-Plant Investment
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$53.7209	1.0338	\$55.5350	NA	NA	1.1416	NA	NA	\$63.4012	1.1099	\$70.3664
Digital Elec Switch - MDF	377C	05	\$0.0000	1.0338	\$0.0000	NA	1.3822	NA	NA	NA	\$0.0000	1.1099	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$0.0000	NA	\$0.0000	NA	NA	NA	NA	NA	\$0.0000	NA	\$0.0000
											\$63.4012		\$70.3664

11/6/2001

Land, Building, Pole, and Conduit Investment Development - Volume Sensitive

Primary Res. and Single Line Bus.

Louisiana
Exchange Port - 2-Wire Line Port

A=Prev Page
Col G

B

C=AxB

D

E=AxD

F

G=AxF

H

I=AxH

<u>Description</u>	<u>FRC</u>	<u>Sub FRC</u>	<u>Investment</u>	<u>Land Factor</u>	<u>Land Investment</u>	<u>Building Factor</u>	<u>Building Investment</u>	<u>Pole Factor</u>	<u>Pole Investment</u>	<u>Conduit Factor</u>	<u>Conduit Investment</u>
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$70.3664	0.0103	\$0.7280	0.1766	\$12.4251	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	0.0103	\$0.0000	0.1766	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
				FRC 20C:	\$0.7280	FRC 10C:	\$12.4251	FRC 1C:	\$0.0000	FRC 4C:	\$0.0000

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Louisiana
Exchange Port - 2-Wire Line Port**

<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<div> <div>A</div> <div>B=AxFactor</div> <div>C=AxFactor</div> <div>D=AxFactor</div> <div>E=AxFactor</div> <div>F=AxFactor</div> <div>I=(B+C+D+E+F)</div> </div>					<u>Direct Cost</u>
			<u>Depreciation & Factor</u>	<u>Cost of Money & Factor</u>	<u>Income Tax & Factor</u>	<u>Plant Specific Expense & Factor</u>	<u>Ad Valorem Expense & Factor</u>	
Buildings - COE	10C	\$12.4251	\$0.2605 0.0210	\$1.1097 0.0893	\$0.5264 0.0424	\$0.6720 0.0541	\$0.1701 0.0137	\$2.7387
Poles	1C	\$0.0000	\$0.0000 0.0439	\$0.0000 0.0723	\$0.0000 0.0343	\$0.0000 0.0181	\$0.0000 0.0137	\$0.0000
Land - COE	20C	\$0.7280	\$0.0000 0.0000	\$0.0819 0.1125	\$0.0388 0.0534	\$0.0000 0.0000	\$0.0100 0.0137	\$0.1307
Digital Elec Switch	377C	\$70.3664	\$6.9387 0.0986	\$3.6128 0.0513	\$1.7138 0.0244	\$1.8433 0.0262	\$0.9632 0.0137	\$15.0719
Conduit Systems	4C	\$0.0000	\$0.0000 0.0118	\$0.0000 0.0823	\$0.0000 0.0390	\$0.0000 0.0023	\$0.0000 0.0137	\$0.0000
Intangibles - Network Switch Software RTU	560C	\$0.0000	\$0.0000 0.3333	\$0.0000 0.0525	\$0.0000 0.0249	\$0.0000 NA	\$0.0000 0.0137	\$0.0000
		<u>\$83.5195</u>						<u>\$17.9413</u>
Monthly Cost(Total / 12):								\$1.4951

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Louisiana
Exchange Port - 2-Wire Line Port**

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Buildings - COE	10C	\$12.4251	\$2.7387	0.0001	\$0.0013	\$2.7400
Poles	1C	\$0.0000	\$0.0000	0.0137	\$0.0000	\$0.0000
Land - COE	20C	\$0.7280	\$0.1307	0.0000	\$0.0000	\$0.1307
Digital Elec Switch	377C	\$70.3664	\$15.0719	0.0167	\$1.1742	\$16.2461
Conduit Systems	4C	\$0.0000	\$0.0000	0.0098	\$0.0000	\$0.0000
Intangibles - Network Switch Software RTU	560C	\$0.0000	\$0.0000	NA	\$0.0000	\$0.0000
		\$83.5195	\$17.9413		\$1.1756	\$19.1168
Monthly Costs (Total / 12):			\$1.4951		\$0.0980	\$1.5931

11/6/2001

Investment Development - Volume Insensitive

Primary Res. and Single Line Bus.

Louisiana
Exchange Port - 2-Wire Line Port

		A	B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF	
		In-Plant Factors (Default = 1)										Supporting Equipment &/or Power Loading	Total Investment
Description	FRC	Sub FRC	Material	Inflation Factor	Adjusted Material	Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardwire Factor	In-Plant Investment		
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$0.0000	1.0338	\$0.0000	NA	NA	1.1416	NA	NA	\$0.0000	1.1099	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	1.0338	\$0.0000	NA	1.3822	NA	NA	NA	\$0.0000	1.1099	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$2.6651	NA	\$2.6651	NA	NA	NA	NA	NA	\$2.6651	NA	\$2.6651
											\$2.6651		\$2.6651

11/6/2001

Land, Building, Pole, and Conduit Investment Development - Volume Insensitive

Primary Res. and Single Line Bus.

Louisiana
Exchange Port - 2-Wire Line Port

A=Prev Page Col G B C=AxB D E=AxD F G=AxF H I=AxH

<u>Description</u>	<u>FRC</u>	<u>Sub FRC</u>	<u>Investment</u>	<u>Land Factor</u>	<u>Land Investment</u>	<u>Building Factor</u>	<u>Building Investment</u>	<u>Pole Factor</u>	<u>Pole Investment</u>	<u>Conduit Factor</u>	<u>Conduit Investment</u>
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$0.0000	0.0103	\$0.0000	0.1766	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	0.0103	\$0.0000	0.1766	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$2.6651	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
				FRC 20C:	<u>\$0.0000</u>	FRC 10C:	<u>\$0.0000</u>	FRC 1C:	<u>\$0.0000</u>	FRC 4C:	<u>\$0.0000</u>

11/6/2001

Recurring Direct Cost Development - Volume Insensitive

Primary Res. and Single Line Bus.

Louisiana
Exchange Port - 2-Wire Line Port

		A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
						Plant Specific Expense & Factor	Ad Valorem Expense & Factor	Direct Cost
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Depreciation & Factor</u>	<u>Cost of Money & Factor</u>	<u>Income Tax & Factor</u>			
Land - COE	20C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0000	0.1125	0.0534	0.0000	0.0137	
Buildings - COE	10C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0210	0.0893	0.0424	0.0541	0.0137	
Poles	1C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0439	0.0723	0.0343	0.0181	0.0137	
Conduit Systems	4C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0118	0.0823	0.0390	0.0023	0.0137	
Digital Elec Switch	377C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0986	0.0513	0.0244	0.0262	0.0137	
Intangibles - Network Switch Software RTU	560C	\$2.6651	\$0.8884	\$0.1399	\$0.0664	\$0.0000	\$0.0365	\$1.1311
			0.3333	0.0525	0.0249	NA	0.0137	
		<u>\$2.6651</u>						<u>\$1.1311</u>
Monthly Cost(Total / 12):								\$0.0943

11/6/2001

Recurring Cost Development - Volume Insensitive

Primary Res. and Single Line Bus,

Louisiana
Exchange Port - 2-Wire Line Port

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Land - COE	20C	\$0.0000	\$0.0000	0.0000	\$0.0000	\$0.0000
Buildings - COE	10C	\$0.0000	\$0.0000	0.0001	\$0.0000	\$0.0000
Poles	1C	\$0.0000	\$0.0000	0.0137	\$0.0000	\$0.0000
Conduit Systems	4C	\$0.0000	\$0.0000	0.0098	\$0.0000	\$0.0000
Digital Elec Switch	377C	\$0.0000	\$0.0000	0.0167	\$0.0000	\$0.0000
Intangibles - Network Switch Software RTU	560C	<u>\$2.6651</u>	<u>\$1.1311</u>	NA	<u>\$0.0000</u>	<u>\$1.1311</u>
		\$2.6651	\$1.1311		\$0.0000	\$1.1311
Monthly Costs (Total / 12):			\$0.0943		\$0.0000	\$0.0943